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ATSM-QMS

21 JUN 2011

MEMORANDUM FOR Chief of Staff, Army, Supply Excellence Award (CSA SEA)  
Program Participants

SUBJECT: 2011 Chief of Staff, Army, Supply Excellence Award (CSA SEA) Program  
Functional After Action Review (AAR)

1. The Supply Excellence Award evaluation "lessons learned" are attached and provided to all SEA participants in order to improve their operations. During the on-site evaluations some general trends were noted. Winning units have made the effort to enhance their competitive status by implementing previous years' recommendations.
2. Comments are general in nature and are not directed at any specific unit.
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Encl

\Original Signed/  
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## Property Accountability

### Enclosure to 2011 SEA After Action Review (AAR)

**COMMAND SUPPLY DISCIPLINE PROGRAM (CSDP):** Although CSDP Inspections are conducted, some Organizations were not aware of the revisions to the CSDP Tables published by Army G4 in March 2010. In some instances, inspectors marked questions on their checklist as a “go” or “N/A” when clearly the units did not meet the standard or the question actually applied. Deficiencies were not followed up by the inspecting organization.

**Recommendation:** Adhere to published guidance, develop and conduct comprehensive inspections using current guidelines in the required time frames. Place emphasis on eliminating repeat discrepancies and train on those areas. Historically we have found that units with an aggressive Command Supply Discipline Program performed very well during the SEA onsite evaluation.

**PERSONAL CLOTHING:** Showdown inspections are not routinely conducted for E-4's and below. DA Form 4886, Issue In Kind Personal Clothing Record are not prepared correctly, errors were corrected using white out or strike over's. Items that require pencil entry were filled out in ink, typed or missing from the form.

**Recommendation:** AR 700-84 Chapter 14 contains the instructions for completing the form and prescribes the accounting requirements for personal clothing.

**ACCOUNTING FOR LOST, DAMAGED OR DESTROYED ITEMS:** Property Book Officers are assigning document numbers (dropping accountability) without obtaining the inquiry /investigation number first. This indicates DA G4 messages are not getting into the hands of personnel who perform these functions.

**Recommendation:** PBUSE LOGON splash page screen has a link to DA G4 Messages and Newsletters which we recommend units check daily/weekly for updates.

**REQUISITION RECONCILIATIONS AND VALIDATIONS (Recurring Trend):** Many units are performing reconciliations with their supporting Supply Support Activity; however the reconciliation process is not being conducted in its entirety. The purpose of the reconciliation and validation is twofold, (1) validation of a need and (2) reconciliation of records. Incorrect priorities were also used, we found units were ordering general supply items using the highest priority available, yet major end items (ERC A items) were ordered using a low priority.

**Recommendation:** It is imperative for the unit performing the reconciliation to go one step father in this process by using the automated tools available, i.e., LIW

– Parts Tracker, WEBVLIPS, and ILAP to research their document number to ensure the status listed on the reconciliation report is accurate. We also recommend units check their requisition information for the correct priority, advice code, etc...

**AUTHORIZED PROPERTY ON HAND OR ON ORDER:** AR 710-2 paragraph 2-6 states “Commanders will ensure that equipment and components listed in the authorized column of the MTOE and TDA are on hand or on request”; the majority of the units evaluated at the unit supply level didn’t know why their commander equipment was not on hand or on request, the common response received was “this is the PBO responsibility”.

**Recommendation:** Unit supply personnel, S4’s and PBO’s must communicate with each other. Supply personnel are responsible for managing the commanders’ equipment and must keep the commander apprised of the status. Units that performed well in this area had a document stating why an item was not ordered (obsolete, fielding, budget constraints, change to authorizations, etc...).

### **PBUSE:**

**SYSTEM ACCESS CONTROLS (Recurring Trend):** Systems access controls must be maintained at all times. We noted departed individuals (PCS/ETS) continued to have access to the system. PBUSE operators to include the Property Book Officers were not aware of all individuals with read/write privileges to their UIC.

**PBUSE MANAGEMENT REPORTS:** CDR Hand Receipts, Property Book Imbalances and Unit Level Reconciliations – units are doing a great job ensuring the CDR hand receipt does not contain equipment other than turn ins or due ins. They are also doing well with the property imbalances and reconciliations. Units with equipment on these reports were not aware the report existed, the purpose of it or how to correct imbalances.

**Recommendation:** Systems administrators must manage the security parameter files IAW their STAMIS guidelines. Personnel should be granted appropriate access and should not have the ability to affect (write) the unit level commander sub hand receipts without the commander’s permission. In addition the unit S4 and PBO must get involved and assist/train their 92Ys. We recommend PBUSE functions are added to the Organization inspection checklist and trained on periodically.

**INVENTORIES:** Most units are doing well in this area, however some PBO’s have not identified the frequency of inventories, we noted that Organizations without guidance from their PBO are conducting inventories as they see fit. A repeat finding from CY2010, the sensitive item reference look up table in PBUSE did not contain the required Controlled Item Inventory Codes (CIIC) for the units to inventory their

sensitive items monthly or quarterly. CIIC of "Y" was often omitted for units with an on hand qty of PSN-11s and PLGR's.

**Recommendation:** The PBO establish the frequency of the inventory (monthly, quarterly, semi-annual or annually). We recommend this is also annotated in the SOP. For the sensitive item inventory, PBOs must review the parameters in PBUSE to ensure the correct codes are inserted in the reference look up table. We also recommend this is added to the Organization inspection checklist. We encourage units to read AR 710-2 which list the CIIC's and frequency of inventory.

### **HAND RECEIPTS:**

**PRIMARY /SUB HAND RECEIPTS:** Most units are doing an exceptional job ensuring hand receipts are current / valid. More attention is required for hand receipt maintenance; this should be performed on a routine basis. In some units ammunition was not accounted for on the commanders hand receipt or the authorization was incorrect.

**COMPONENT HAND RECEIPTS (CHRs):** Majority of the units evaluated are using CHR's to issue equipment at the user level. Units that are not using CHR's were not certain where to obtain this data. We found that units are not reviewing the Logistics Support Activity (LOGSA) web page at [www.logsa.army.mil](http://www.logsa.army.mil) to ensure the latest supply catalogs and technical manuals are in use at the unit. This potentially results in waste of dollar resources, retention of excess and obsolete components.

**HAND RECEIPT ANNEXES:** A large percentage of units did not have shortage annexes on hand although shortages clearly existed and was verified upon review of the unit document register and SSA reconciliation reports. Units are ordering missing components without proper authorization (statement of charges, FLIPL, adjustment documents, new addition to TM/SC, etc...). For units with shortage annexes on hand, they were not validated by the proper authority. Many supply personnel are validating shortage annexes on behalf of the unit commander.

**Recommendation:** Follow regulatory guidelines for shortages. IAW DA PAM 710-2-1 shortage annexes are prepared at the level where the document register is maintained AND validated by the Commander, PBO or S4.

## Supply Support Activity (SSA)

Enclosure to 2011 SEA After Action Review (AAR)

### **DIRECT AND GENERAL SUPPORT SUPPLY OPERATIONS:**

All Supply Support Activities (SSA) performed well during the competition. Following are observations and recommendations noted:

**ASL REVIEW BOARDS:** Although ASL Review Boards were being conducted at all the SSAs evaluated, minutes and pertinent back-up data was not always on file or readily available. In some instances the boards deviated from the recommendations provided by the Expert ASL Review Team through the Enhanced Dollar Cost Banding (EDCB) program, but the SSAs did not have available the line items that were not accepted as recommended or the reason why they were not accepted.

**Recommendation:** Prior to each ASL Review Board a recorder should be appointed to record the proceedings of the board. The minutes should include pertinent back-up documentation with justification, if deviating from the EDCB recommendations. The minutes of each ASL Review Board must be approved and signed by the commander who appoints the Stock Record Officer or their designated representative and maintained on file.

**AUTOMATED INFORMATION TECHNOLOGY:** Handheld Terminals (HHT) continue to be a hit or miss. In some SSAs HHTs are not being used to their fullest potential and in some SSAs not at all. SARSS operations should maximize the use of SARSS automated information technology IAW AR 710-2, when available.

**Recommendation:** Use the Handheld Terminals to minimize key punch errors and assist with maintaining inventory accuracy. Continue to explore the HHTs capabilities to assist the SSA with day to day operations. Maintain a down time log consisting of faults and causes and use this data to submit to PM\_SARSS for upgrade requirements.

**INVENTORY ADJUSTMENT REPORTS (IARs):** In some instances causative research was not done properly or the causative research documentation was not filed with the IARs.

**Recommendation:** Causative research must be conducted and documented on the IAR when discrepancies result in adjustment over the dollar threshold which currently is \$1,000 in extended line item value. All supporting documentation should remain with the IAR; the IAR must be completed within 30 calendar days, and forwarded to the approval authority. The approving authority must take final action

on the IAR within five working days of receipt or return for additional research. Once completed the IAR with all supporting documentation must be kept on file.

**KEY CONTROL:** Although well managed and maintained in the majority of SSAs, some SSA's key inventories were either not conducted or improperly conducted. In a few instances unauthorized individuals were found to have access to key boxes and in some cases the keys were not maintained in a key box.

**Recommendation:** Implement key control management procedures IAW AR 190-51, Appendix D and AR 190-11 when applicable. Ensure only authorized individuals have access to key boxes and that they are properly issuing keys. Appoint a key custodian and an alternate to manage and maintain key control.

**RECONCILIATION:** Some SSAs are not managing the reconciliation process; in some instances the customer units are not returning reconciliations by the scheduled suspense dates or not at all. SSA managers must enforce regulatory guidance and keep leaders informed when units do not comply.

**Recommendation:** Adhere to AR 710-2, paragraph 3-20. Reconciliations are required monthly for RA, quarterly for ARNG and USAR. SSAs should establish internal control procedures to monitor distribution and return of reconciliations. This is a vital and critical link between customers requisition requirements and the SSA.

**SIGNATURE CARDS:** DA Form 1687 (Delegation of Authority) were in some cases expired, not properly filled out and/or submitted using obsolete forms and not reconciled with the SARSS Customer DODAAC files.

**Recommendation:** Ensure customers submit properly completed signature cards on the latest version of DA Form 1687; develop internal control procedures to monitor their expiration; reconcile classes of supply support on signature cards versus SARSS system through customer DODAAC list or DOF/DODAAC file which lists the chain of support for various classes of supply for a single DODAAC. Refer to DA Pam 710-2-1, for sample DA Form 1687.

**STATUS TO CUSTOMERS:** Customers are not always receiving status. In some instances when customers were not interfacing with the SARSS via SFTP on a regular basis the SARSS clerks were simply deleting the customers status file or transferring to diskette or print but then not necessarily ensuring that those customers received the status.

**Recommendation:** All supply status must be sent to the customers via SFTP. In some instances there may be a temporary disruption of communication between SARSS and the customer, in those instances the transactions should be retained in the appropriate communication queue for later transmission; however in instances when customers are not able to interface via SFTP, an alternate means of

receiving status (disk or print) must be agreed on by both the SSA and the supported customer.

**SUPPLY DESCREPANCY REPORTS (SDRs):** Supply Discrepancy Reports (SDRs) are not always submitted or tracked. The purpose of submitting SDRs is to report shipping or packaging discrepancies; to determine the cause of discrepancies, and to generate corrective action/resolution, whether through the receipt of correct items or financial adjustment to the requestor. In some instances SDRs were submitted but not recorded or tracked by any means.

**Recommendation:** With the ease of electronic means of submission and tracking of supply discrepancies, all SSAs should establish procedures for automated reporting. As a minimum they should maintain a register of all SDRs submitted along with responses received from the responsible action activity, and dollar values recovered, either in the form of reshipped items or credit received and/or final resolution.